

## Message Text

CONFIDENTIAL

PAGE 01 STATE 076825  
ORIGIN EUR-12

INFO OCT-01 ISO-00 DODE-00 CIAE-00 PM-05 INR-10 L-03  
ACDA-12 NSAE-00 PA-01 SS-15 SP-02 USIA-06 TRSE-00  
SIG-03 /070 R

DRAFTED BY OSD/ISA:CDR BITOFF:MEM  
APPROVED BY EUR/RPM:SJLEDOGAR  
OSD/ISA:MR. SIENA  
OSD:RKOMER  
EUR/RPM:WTROBINSON  
PM/ISP:FMILLER

-----129359 251012Z /13

P R 242000Z MAR 78  
FM SECSTATE WASHDC  
TO AMEMBASSY BRUSSELS PRIORITY  
AMEMBASSY OTTAWA PRIORITY  
AMEMBASSY COPENHAGEN PRIORITY  
AMEMBASSY PARIS PRIORITY  
AMEMBASSY ATHENS PRIORITY  
AMEMBASSY THE HAGUE PRIORITY  
AMEMBASSY OSLO PRIORITY  
AMEMBASSY LISBON PRIORITY  
AMEMBASSY ANKARA PRIORITY  
AMEMBASSY LONDON PRIORITY  
AMEMBASSY ROME PRIORITY  
INFO AMEMBASSY BONN  
USMISSION USNATO

C O N F I D E N T I A L STATE 076825

E.O. 11652:GDS

TAGS:MPOL, NATO

SUBJECT:NATO PATROL HYDROFOIL MISSILE (NATO PHM)

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 076825

REF: STATE 076112 DTG 052352Z APR 77

1. SUBSEQUENT TO THE TRANSMISSION OF REFTEL, THE DEFENSE  
DEPARTMENT ANNOUNCED TERMINATION OF THE NATO PHM PROGRAM  
AND THE DISCUSSIONS REQUESTED WERE CANCELLED.

2. CONGRESSIONAL ACTION HAS, HOWEVER, REQUIRED THE

REINSTATEMENT OF PHM PRODUCTION. THE US NAVY IS NOW UNDER CONTRACT AND FULLY COMMITTED TO A STAND-ALONE PRODUCTION OF THE FIVE ADDITIONAL PHM'S, TO BE DELIVERED IN THE 1981/1982 TIME FRAME. THE PROTOTYPE AND LEAD PHM, USS PEGASUS (PHM-1) WAS DELIVERED TO THE NAVY IN JUNE 1977 AND COMMISSIONED AS A WARSHIP ON 9 JULY. THIS SHIP HAS BEEN SUBJECTED TO TWO RIGOROUS AND HIGHLY SUCCESSFUL MATERIAL AND PERFORMANCE INSPECTIONS AND HAS BEEN OPERATING FOR EIGHT MONTHS AS A COMBAT UNIT OF THE US PACIFIC FLEET. THE SHIP HAS MET OR EXCEEDED EARLY TECHNICAL AND OPERATIONAL EXPECTATIONS. INITIAL PLANNING COMMENCED EARLY THIS YEAR FOR NEAR TERM EXERCISES WITH OTHER NATO NAVIES AND ULTIMATELY TO HOMEPORT THE ENTIRE PHM SQUADRON IN THE

MEDITERRANEAN. OTHER BACKGROUND PROVIDED IN REFERENCE REMAINS VALID.

3. IN THE INTEREST OF INCREASING THE DEGREE OF STANDARDIZATION AND COMMONALITY BETWEEN NATO NAVIES, AS WELL AS REDUCTION OF UNIT PROCUREMENT COSTS, WE WOULD LIKE TO ENCOURAGE ADDITIONAL PARTICIPATION IN PHM PRODUCTION. FURTHER, RECENT DOLLAR DEVALUATIONS WITH RESPECT TO SOME NATIONAL CURRENCIES MAY MAKE SUCH PARTICIPATION MORE ATTRACTIVE THAN MAY HAVE BEEN THE CASE IN PAST YEARS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 076825

4. ACCORDINGLY, IT IS REQUESTED THAT, AS APPROPRIATE, YOU ADVISE DEFENSE PERSONNEL OF THE CURRENT PHM STATUS AND THAT THE USN IS PREPARED TO ENTER INTO SUBSTANTIVE DISCUSSIONS ON THE POSSIBILITIES FOR COOPERATIVE NATO PHM PRODUCTION.

VANCE

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MISSILES, REGIONAL DEFENSE ORGANIZATIONS, MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE076825  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** CDR BITOFF:MEM  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780131-1208  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780326/aaaaawep.tel  
**Line Count:** 101  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 06bcadbd-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 76112  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 18 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3207732  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NATO PATROL HYDROFOIL MISSILE (NATO PHM) CONFIDENTIAL CONFIDENTIAL  
**TAGS:** MPOL, US, NATO  
**To:** BRUSSELS OTTAWA MULTIPLE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/06bcadbd-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014